Joint Statement on discharge of the 2013 EU budget

With reference to:

- The European Court of Auditors' annual report on the implementation of the EU budget in 2013;

- Discharge to be given to the Commission in respect of the implementation of the EU budget in 2013;

- Draft Council recommendations on discharge of the EU budget in 2013;

The United Kingdom, the Netherlands and Sweden

Strongly regret that, for the twentieth consecutive year, the European Court of Auditors has been unable to grant an unqualified Statement of Assurance on the EU budget as a whole and that the overall error rate for expenditure remains significantly above the acceptable 2% threshold, standing virtually stable at 4.7%;

Reiterate the necessity of a significant reduction in the error rate noting that the credibility of EU expenditure is reliant on improvements to financial management by all those involved in the deployment and use of EU budget funds;

Expect that the Juncker Commission will take proactive steps to improve procedures in order to reduce the error rates compared to the last programming period;

Again highlight the importance of an independent EU-level audit of EU funds and support the work of the European Court of Auditors;

Strongly urge the Commission and Member States to identify more opportunities to simplify the complex rules and regulatory framework governing EU budget expenditure in order to improve compliance, recognising that the rules must be understood and applied by a number of organisations and individuals with varying levels of experience of EU regulation;

Stress the importance of the Commission and Member States issuing timely and comprehensive guidance and training to ensure correct interpretation of requirements, and urge the Commission toward greater cooperation with Member States to understand better and address the underlying causes of systemic and repeated errors;

Recognise that approximately 80 percent of the EU budget is spent under the system of 'shared management' and reiterate the importance of Member States accepting responsibility for maintaining – and where necessary improving – effective and efficient control mechanisms to manage EU funds

at a national level while factoring in the necessary balance between the costs and benefits of controls;

Regret the Court's assessment that the error rate could have been considerably lower if Member States' authorities had made better use of the available information to prevent, detect and correct errors before declaring the expenditure to the Commission. Adequate accountability on every level is extremely important, noting that Member State authorities should take immediate action to correct errors promptly.

Welcome steps taken by the Commission and the Court to increase the level of country-specific information in its reporting, while stressing the need for comparable and more readily available overviews of Member State performance, financial corrections and error rates per fund per year.

Urge the Commission to continue to apply financial corrections and recoveries in accordance with existing rules;

Strongly urge the Commission to keep commitments under control to create a balance between commitments and payments to avoid jeopardising the agreed payment ceilings;

Draw attention to the Court's recommendation that the Commission should look critically at the flow of payments towards financial instruments and urge

the Commission to report more clearly about the added value of these instruments;

Note with disappointment the Court's findings that investments from the EU budget are often without EU-added value and urge the Commission to take action towards a more results-oriented implementation of the funds. Effective monitoring of performance should be a high priority for Member States and for the Commission.

Strongly support the European Court of Auditors' calls for the performance of EU budget funds to be better assessed and monitored to ensure that programmes and projects financed by the EU budget achieve the desired outcomes and represent added value, and welcome the European Court of Auditors' landscape review on risks to financial management of the EU budget.